

IC 20-26-17

Chapter 17. School Corporation Employee Health Coverage

IC 20-26-17-1

"Cost of coverage"

Sec. 1. As used in this chapter, "cost of coverage" includes any deposit to a health savings account that is related to a high deductible health plan.

As added by P.L.200-2011, SEC.2.

IC 20-26-17-2

"Health plan"

Sec. 2. As used in this chapter, "health plan" refers to any of the following:

- (1) A hospital or medical expense incurred policy or certificate.
- (2) A hospital or medical service plan contract.
- (3) A health maintenance organization subscriber contract.
- (4) A self-funded employer plan that provides coverage for health care services.

The term includes a high deductible health plan with a related health savings account.

As added by P.L.200-2011, SEC.2.

IC 20-26-17-3

Limit on employer cost of coverage

Sec. 3. The employer share of the cost of coverage under a health plan provided by a school corporation for the school corporation's employees may not exceed by more than twelve percent (12%) the employer share of the cost of coverage under the same type of health plan:

- (1) described in IC 5-10-8-7(b) or IC 5-10-8-7(c); and
- (2) provided by the state for state employees;

for any twelve (12) month period beginning on the first health plan issue or renewal date that occurs after December 31, 2011.

As added by P.L.200-2011, SEC.2.

IC 20-26-17-4

Plan to remedy exceeding cost limitation

Sec. 4. If a school corporation for any twelve (12) month period beginning on the first health plan issue or renewal date that occurs after December 31, 2011, spends in excess of the amount specified in section 3 of this chapter, the school corporation shall do the following:

- (1) Not more than forty-five (45) days after the renewal date on which the school corporation is determined to be noncompliant with section 3 of this chapter, submit to the state personnel department a plan to achieve compliance. The plan may include health plan benefit changes and implementation of best practices described in section 6 of this chapter.
- (2) Twelve (12) months after the date a plan is submitted under

subdivision (1), certify to the state personnel department the school corporation's compliance with section 3 of this chapter.

(3) If the school corporation fails to file the certification described in subdivision (2), beginning on the first renewal or expiration date of the school corporation's health plan after the twelve (12) month period described in subdivision (2) expires, elect to participate in the state employee health plan as provided in IC 5-10-8-6.7 to provide any school corporation employee health coverage.

A school corporation shall provide additional information, data, and documentation that is requested by the state personnel department to substantiate compliance with this section.

As added by P.L.200-2011, SEC.2.

IC 20-26-17-5

Requirements for employee health coverage program

Sec. 5. The following apply with respect to a school corporation's employee health coverage program:

(1) If the school corporation pays a commission, a bonus, an override, a contingency fee, or any other compensation to an insurance producer or other adviser in connection with the health coverage, the school corporation shall:

(A) specify the commission, bonus, override, contingency fee, or other compensation in the school corporation's annual budget fixed under IC 6-1.1-17; and

(B) make the information specified under clause (A) available to the public upon request.

(2) The school corporation shall perform audits once each five (5) years to ensure that covered dependents of school corporation employees are entitled to coverage under the school corporation's employee health coverage program.

(3) The school corporation may allow:

(A) members of the school corporation's governing body; or

(B) an attorney of the school corporation's governing body; to be covered under the school corporation's employee health coverage program.

(4) All individuals insured under the school corporation's employee health coverage program:

(A) are eligible for the same coverage as all other individuals insured under the program; and

(B) to the extent allowed by federal law, may pay different amounts for the coverage.

As added by P.L.200-2011, SEC.2.

IC 20-26-17-6

Best practices for employee health coverage program

Sec. 6. A school corporation may consider the following best practices with respect to the school corporation's employee health coverage program:

(1) Obtaining more than one (1) estimate for the coverage,

including use of health care service discounts and medical management, to obtain the most cost savings in the program.

(2) Requiring employer contributions of at least fifty percent (50%) and not more than eighty-five percent (85%) of the cost of the coverage.

(3) Offering at least one (1) of each of the following, in accordance with the requirements of the Internal Revenue Code, as an option for the school corporation's employees:

(A) A high deductible health plan with a health savings account.

(B) A health reimbursement arrangement.

(4) Offering wellness programs to the school corporation's employees.

(5) Either:

(A) joining a consortium or trust of school corporations; or

(B) electing to participate in the state employee health plan as provided in IC 5-10-8-6.7;

to provide school corporation employee health coverage to all school corporation employees.

(6) Providing medical clinics on the property of the school corporation for individuals insured under the school corporation employee health coverage program.

As added by P.L.200-2011, SEC.2.

IC 20-26-17-7

Participation in school corporation consortium or trust

Sec. 7. A consortium or trust of school corporations referred to in this chapter shall accept any school corporation for participation in the consortium or trust if the school corporation agrees to participate in the consortium's or trust's best practice requirements.

As added by P.L.200-2011, SEC.2.

IC 20-26-17-8

Employee participation; collective bargaining

Sec. 8. (a) This chapter does not require a school corporation employee to participate in a school corporation's employee health coverage program.

(b) With respect to a collective bargaining agreement that is in effect on July 1, 2011, this chapter does not:

(1) give a party to the collective bargaining agreement any greater rights under the collective bargaining agreement than the party had before July 1, 2011; or

(2) annul, modify, or limit the collective bargaining agreement.

As added by P.L.200-2011, SEC.2.

IC 20-26-17-9

Reports to legislative council and state personnel

Sec. 9. Not later than December 31 in each calendar year, a school corporation shall report the following information for the school year ending in the calendar year to the legislative council in an electronic

format under IC 5-14-6 and the state personnel department:

- (1) The employer's share of the cost of coverage of the state employee health plan used by the school corporation, in total and separated out to show the amount payable per covered individual by type of family or single coverage plan.
- (2) The covered individual's share of the cost of coverage of the state employee health plan used by the school corporation, in total and separated out to show the amount payable per covered individual by type of family or single coverage plan.
- (3) The total cost of coverage incurred by the individual's covered by the health plan and the school corporation.

A school corporation shall provide additional information, data, and documentation that is requested by the state personnel department to substantiate compliance with this section.

As added by P.L.200-2011, SEC.2.